



## North Carolina Rural Hospital Program 2014 Profile

[www.ncdhhs.gov/orhcc/](http://www.ncdhhs.gov/orhcc/)

### Overview

The Office of Rural Health and Community Care's rural hospital program focuses on Small Rural Hospitals and Critical Access Hospitals (CAHs).

- A CAH has a special designation from the Centers for Medicare & Medicaid Services (CMS). CAHs have 25 beds or less and receive cost-based reimbursement.
- Small Rural Hospitals have 49 available beds or less.
- ORHCC administers two federal grants on behalf of Small Rural Hospitals and CAHs to improve their viability, quality of services, and integration with the rest of the health care system. These grants are the Rural Hospital Flexibility Grant Program (FLEX) and the Small Rural Hospital Improvement Grant Program (SHIP), both of which receive recurring federal funding.

### Importance

- Small rural hospitals and CAHs are more financially vulnerable than larger hospital systems and are often the only medical facility in a rural community – if they go away there will be reduced access to acute care and emergency room services. In July 2014, one of our CAHs closed due to mounting financial losses (Pungo District Hospital in Belhaven, NC). The resulting community outcry in Belhaven was significant.
- Small rural hospitals and CAHs are economic drivers for many rural communities. In some North Carolina counties they are the largest employer.
- Small rural hospitals and CAHs typically have limited internal resources to initiate performance improvement projects.
- Small rural hospitals and CAHs must demonstrate value to their customers. ORHCC provides funding for public reporting on quality of care and patient satisfaction data which fosters greater accountability and transparency (see table below).
- Funds are utilized to deploy proven process improvement strategies (LEAN) and tele-health solutions (telepsychiatry).

### Cost, Savings and Program Monitoring

- SHIP and FLEX Federal grant awards for 2014 was \$739,247.
- Number of CAHs (3) using telepsychiatry since 10/1/13 increased from 20% to 35%.
- 60% (12) CAHs have executed contracts and a "go live" date has been established.
- Five CAHs accessed funding from our Office to train their staff in Mental Health First Aid.
- Number of CAHs reporting inpatient core measures has decreased from 87% last year to 85% (due to closures).
- Number of CAHs reporting outpatient core measures has increased from 57% last year to 70% this year.
- Number of CAHs reporting HCAHPS (patient satisfaction data) has increased from 52% last year to 55% this year.
- Five CAHs accessed funding from our Office to continue their LEAN culture transformation journey; those 5 CAHs completed 29 rapid improvement event (RIEs) over the course of the year.

### SFY 2014-15 priorities:

- Improve core measure scores for CAHs and patient satisfaction scores.
- Working with two of our small rural hospitals to convert to CAH designation (Murphy Medical Center and Blue Ridge Regional Hospital).

### **Technical Assistance: Supporting safety net infrastructure in vulnerable communities:**

<i>Hospital site visits</i>	18 encounters
<i>Quarterly Critical Access Hospital meetings</i>	159 encounters

### Quality of Care and Patient Satisfaction Data

Increased the number of small rural hospitals and CAHs publicly reporting quality of care and patient satisfaction data.

<u>Quality of Care</u>	Heart Failure	91.1%
	Pneumonia	94.5%
	Surgical care improvement	95.6%

<u>Patient Satisfaction</u>	Rate 9 or 10	75.0%
	Clean/Quiet	80.5%

\*Outcomes are based on small sample sizes, and therefore have a high degree of variability.



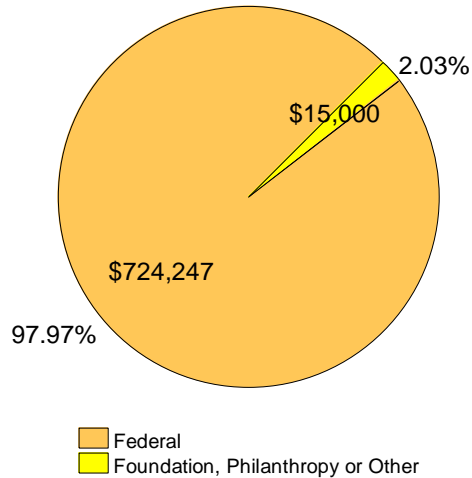
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### 2014 Profile

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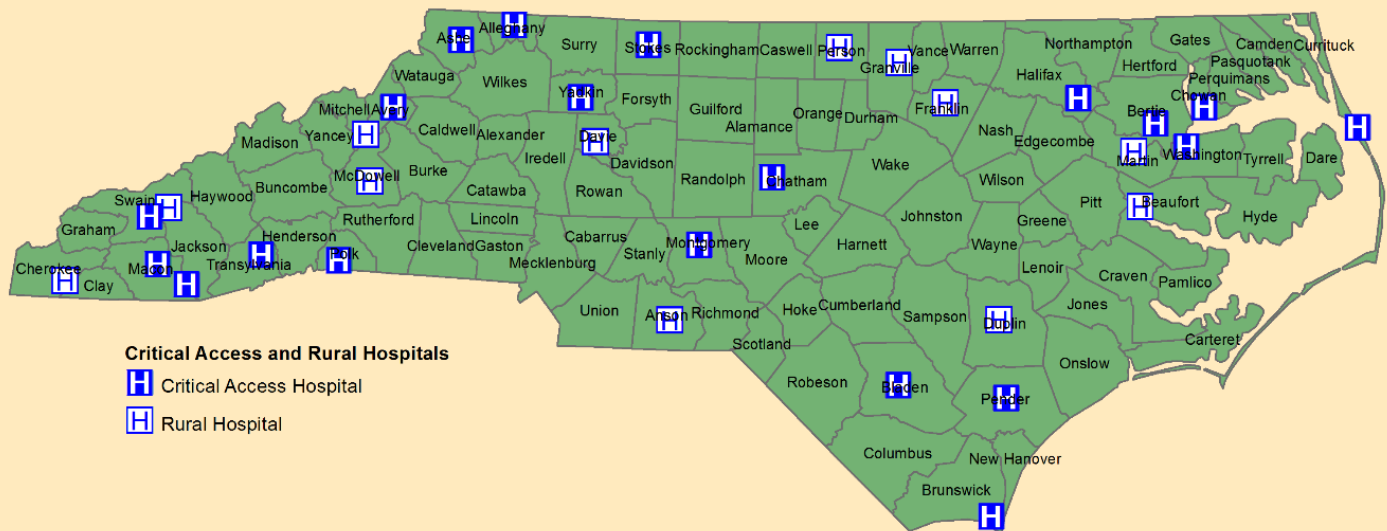
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#### Rural Hospital Assistance Funding Sources (SFY 2013-2014)



#### Program Coverage

- 20 Critical Access Hospitals
- 13 small rural hospitals



#### If you have further questions, please contact:

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